

The power of Corporate Kinetics
Create the self-adapting, self-renewing, instant-action enterprise
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Companies need to meet needs and demands they don't even know about yet. They must prepare to capitalize on the unpredictable. They must become kinetic. This is the main message of the authors.

Kinetic organizations have two goals: serving a single customer (tailoring products and services) and acting in zero time. They can achieve this both by changing their infrastructure, by encouraging leadership that rewards people for challenging the status quo, by hiring people that seize the market opportunities and by encouraging staff to satisfy unexpected customer demands.

Hierarchical organizations can not become kinetic organizations. In kinetic organizations employees are wired to customers, suppliers and outside experts. Team are formed and dissolved. Examples of such companies are: Dell, Coca Cola, MTV....

The case of Sears, Roebuck and C° is extensively commented.

Managers have to build their kinetic companies for speed: instant action and reaction is crucial.

Five tips for redesigning you company :

1. Create fast-action channels by breaking down the boundaries that keep your people from sharing their expertise and resources.
Give decision making power to those of the team members who are best qualified what needs to be done and how they must do it.

2. Create networks for speed learning. Standards for hardware, software and shareware have to replace existing systems. Encourage partnering with co-workers, managers, suppliers and customers.
3. Provide up-to-the-second accurate information, accessible for all.
4. Marketing to the masses is outrun. Flexibility to react to infinite customer needs is required.
5. Structure your company in a flexible way.

You, as the leader of your company, have to define the strategic purpose of your company based on what benefits you want to offer to your customer. Set groundrules so that everybody understands its responsibility towards the strategic purpose. But your workers also need the right to break these rules to innovate beyond the yet visible horizon.

A leader in a kinetic organization has to make decisions quickly and has to keep on moving. You have no time anymore to check out, to sleep on your decision, to know what to do and to do it. You must lead from the front by being wired in your company, gathering data on projects and being connected with your workforce and customers.

Confidence in the initiative and the decision making abilities of your employees will help you.

So you need kinetic workers: people who reinvent themselves all the time, who

develop new skills and who are capable to handle unexpected events. You have to start to review your hiring process and not only look at the track records of the candidates. Look for people that act like owners, who accept responsibility. Your interaction with your workers should be based on the company's strategic purpose. Train them to play different roles such as the frontline worker, the strategist, the stakeholder, the decision maker, the manager, the coach, the student, the champion, the innovator, the project member, the networker and the leader. Reward will play a key-role. Reward your work force according to three criteria. First criteria: reward individuals when the company as a whole does well. Second: reward behavior, not just results and third: show your appreciation in a non monetary way.

Leaders focus their companies on market events. These are unexpected market opportunities. Your workers should be able to access the impact of the opportunity, to determine if the impact is desirable and if so, which resources they need to make it happen. But market events just don't happen. You can create the environment for them. Outrageous goals will set ingenuity to work.

Communication channels should be wide open and use as a pipeline for interaction.

Start thinking in terms of customer events. Customer events are satisfying a unique single customer need. Your workers need to collaborate with the customer, they need to decide if the customer's demand affects the business and if this is right for the company.

Kinetic organizations give their customers the power and the means to design their relationship with the company. Customers are creating personalized products and services. They are deciding on how they want to communicate and what information they want.

Customers create their personalized products but need the means to do so.

Conclusion : this book gives readers insights in:

- ❑ The kind of infrastructure allowing spontaneous action.
- ❑ Learning how to set ground rules and allow your workers to break them.
- ❑ How becoming better skilled at hiring the right people.
- ❑ How to be able to take better advantage of unpredictable market opportunities.